

Five Year Comparison of Selected Supplementary Financial Data Adjusted for Effects of Changing Prices

In Average 1983 Dollars (except as reported amounts)

(Dollars in Millions, Except Per Share)

Year Ended or at July 31	1983	1982	1981	1980	1979
As Reported					
Net sales and other revenues	\$3,993	\$3,912	\$3,813	\$3,439	\$3,059
Earnings from continuing operations	260	165	260	156	128
Earnings from continuing operations per share—fully diluted	3.25	2.01	3.10	1.95	1.55
Net assets (convertible preferred and common stockholders' equity)	1,894	2,177	2,179	1,666	1,469
Constant Dollar Information					
Net sales and other revenues	3,993	4,067	4,294	4,313	4,353
Earnings from continuing operations (including gain from decline in purchasing power)	221	227	442	405	
Earnings from continuing operations per share—fully diluted (including gain from decline in purchasing power)	2.76	2.77	5.28	4.85	
Net assets (convertible preferred and common stockholders' equity)	2,469	3,269	3,812	3,094	
Current Cost Information					
Earnings from continuing operations (including gain from decline in purchasing power)	210	227	430	397	
Earnings from continuing operations per share—fully diluted (including gain from decline in purchasing power)	2.62	2.77	5.14	4.79	
Net assets (convertible preferred and common stockholders' equity)	2,774	3,836	4,226	3,723	
Increase in general price level over (under) increase in the specific cost changes (current cost) of inventories and property, plant and equipment held during the year	23	160	44	(103)	
Other Information Adjusted for General Inflation					
Gain from decline in purchasing power of net monetary items	38	159	284	376	
Cash dividends paid per common share					
As reported	.75	.75	.75	.638	.58
In average 1983 constant dollars	.75	.78	.84	.800	.83
Market price per common share at year-end					
As reported	26.875	11.50	18.75	17.50	13.00
In average 1983 constant dollars	26.458	11.59	20.13	20.80	17.50
Average consumer price index	295	283	262	235	207

Report of Independent Auditors

To the Stockholders and Board of Directors
Gulf+Western Industries, Inc.

We have examined the consolidated balance sheet of Gulf+Western Industries, Inc. and subsidiaries as of July 31, 1983 and 1982, and the related consolidated statements of operations, changes in capital accounts and changes in financial position for each of the three years in the period ended July 31, 1983. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the consolidated financial position of Gulf+Western Industries, Inc. and subsidiaries at July 31, 1983 and 1982, and the consolidated results of their operations and changes in their financial position for each of the three years in the period ended July 31, 1983, in conformity with generally accepted accounting principles applied on a consistent basis.

Ernst & Whinney

New York, N.Y.
October 6, 1983

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Investor Information

Gulf+Western Industries, Inc. has made a commitment to keep its investors and others fully informed of significant corporate developments. At the same time, we welcome your comments, suggestions and questions on any aspect of the Company's operations.

Automatic Stock Purchase Plan

In order to allow investors to more fully participate in the growth of our Company, Gulf+Western, through Manufacturers Hanover Trust Company, offers a plan whereby Gulf+Western investors may reinvest their common or preferred dividends in shares of Gulf+Western Common Stock automatically and conveniently without service charges or brokerage fees. Whether or not you decide to have your dividends reinvested, you still have the option of making monthly cash investments of \$10 to \$1,000 to purchase additional Gulf+Western Common Stock on the same cost-free basis. Participation begins when an authorization card is completed and returned to the bank.

We currently have over 13,000 stockholders holding more than 2 million Gulf+Western shares participating in the Plan.

Dividends

Gulf+Western Industries, Inc. has paid 77 consecutive cash dividends on its Common Stock. Effective with the October 1, 1983, dividend payment, our Board of Directors increased the quarterly common stock dividend to 22½¢ per share from 18¾¢ per share. Our Dividend Disbursing Agent is Manufacturers Hanover Trust Company. All inquiries concerning dividend payments should be directed to the Investor Relations Department of Gulf+Western.

Supplemental Information

This Annual Report is supplemented by other sources of information available to our investors. The 1983 Gulf+Western Fact Book, which contains more specific financial and operating data, will be available upon request.

Certain additional information about our Company is contained in the Form 10-K filed annually with the Securities and Exchange Commission. A copy of this document will also be sent to you upon request.

Gulf+Western's fiscal year ends on July 31. Its first three quarters end on October 31, January 31, and April 30. Quarterly Reports are mailed to all shareholders with the dividend payable following the close of the quarter. For example, the report of the first quarter, which ends October 31, is generally mailed with the January 1 dividend check.

The report of our Annual Meeting of Stockholders, which is contained in our First Quarter Report, is a summary of the activities of the Annual Meeting, including excerpts from the Chief Executive Officer's address, results of voting on items of business, and topics of stockholder interest.

An audio tape recording of this 1983 Annual Report is available upon written request for handicapped persons.

Annual Meeting of Stockholders

The 1983 Annual Meeting of Stockholders will be held on Tuesday, December 13, 1983, at 10:30 a.m. local time in The Felt Forum of Madison Square Garden Center at Eighth Avenue at 33rd Street, New York, New York 10001.

Number of Stockholders

As of the record date for this year's Annual Meeting, October 21, 1983, there were approximately 50,000 common stockholders.

Corporate Headquarters

Gulf+Western Industries, Inc.
1 Gulf+Western Plaza
New York, New York 10023
(212) 333-7000

All stockholder inquiries and requests for material should be directed to our Investor Relations Department by writing or calling collect:

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